



NATIONAL
MULTIFAMILY
HOUSING
COUNCIL



RESIDENT SCREENING AND CONSUMER REPORTING

NMHC/NAA Viewpoint

We support resident screening and consumer reporting policies that ensure the information we rely on and report is accurate, promote transparency, protect privacy and allow for necessary risk management practices.

Restrictions on resident screening and data access can harm the very population they seek to support. Instead of comprehensive resident profiles, housing providers are forced to rely on narrow eligibility criteria that can unnecessarily restrict housing options for renters at a time of critical housing shortages and affordability challenges.

Resident screening and consumer reporting play an important role in creating safe and successful residential communities. Screening serves as an essential risk management tool for housing providers and helps ensure the safety and financial stability of apartment communities. Moreover, effective screening relies on robust, accurate and accessible consumer reporting.

Screening and reporting practices are facing increased scrutiny as policymakers at all levels of government work to ensure housing access and equity. However, such efforts should recognize the inherent complexities in this field and avoid undermining fundamental property management practices. Housing providers use resident screening tools to assess prospective residents' ability to meet their rental obligations, most often drawing from credit, criminal and overall rental histories. As this landscape grows and evolves, apartment firms seek to employ the most effective, reliable and transparent practices, including the use of new methods and technologies, to make informed residency decisions.

We urge support for housing affordability and equity goals, while avoiding screening and reporting measures that unduly interrupt necessary operational and property management practices that fail to:

- Ensure continued access to the screening tools and consumer data necessary to make informed business decisions;
- Recognize that advancements in screening technology can expand a resident's eligibility profile and remove human bias, while ensuring such practices provide transparency, accountability, accuracy and appropriate privacy and cybersecurity protocols;
- Clarify the applicability of fair housing requirements in the screening context and ensure that policies do not undermine valid business practices used to further safety and soundness needs; and
- Promote voluntary policies that enable renters to build wealth and adopt the use of alternative credit scoring models that better reflect positive rental experiences.